

FEB 1 8 2004

COB Energy Facility Comments
BPA Communications Office – KC-7
P.O. Box 14428
Portland, Oregon 97293-4428

February 2, 2004

RE: COB Energy Facility Project Draft Environmental Impact Statement DOE/EIS-0343

To whom it may concern,

I appreciate the opportunity to comment on the Draft EIS for the COB Energy Facility. Having read the entire document, I find it a collection of outdated CH2M-Hill propaganda. Much of what is contained in this document comes from the initial and subsequent site application documents submitted to the Oregon Department of Energy, and has very little to do with the facility's environmental impact. During the public hearing for this draft document on January 22nd many Langel Valley residents voiced their concern with the apparent lack of relevant up-to-date information in this document, as you are well aware.

I have chosen only the most glaring of errors and misstatements to comment on, and will do so by referencing the page number and section in which they appear.

3A Page S-3 Major Conclusions

The document concludes, "The proposed Facility would have no significant adverse effect on the environment with the implementation of mitigation measures." This statement is in error; the only reason for mitigation measures is an attempt to offset the significant adverse effect to the environment. If the proposed facility caused no significant adverse effect on the environment then no mitigation measures would be required.

3B Page S-3 Geology, Soil and Seismicity

The DEIS makes the statement: "The Energy Facility would cause the permanent removal of approximately 13.1 acres of nonirrigated, high-value soil: however, this land is not considered prime farmland soil by the Natural Resources Conservation Service (NRCS) because it is not irrigated." This statement appears to be an attempt to reclassify soils that Klamath County has determined to be high-value soil. The lack of irrigation does not reduce the value of the soil. This property has, in the past, produced some of the finest potatoes in the basin, as was testified to in the January 22nd hearing.

3C Page S-4 Hydrology and Water Quality

In the first paragraph the DEIS initiates a tenant that is followed throughout the document. The statement, in part ... "the Facility would draw water from the deep basalt aquifer, which testing indicates is not hydraulically connected to the shallow aquifer and surface features," was suspect when it first appeared in the original site application. Upon further investigation it is found that the hypothesis that the so-called deep basalt aquifer and the shallow aquifer are not hydraulically connected is held only by CH2M-Hill consultants. Four independent experts in the field of ground water have studied the test data and concluded that there is a hydraulic connection between the so-called deep basalt aquifer and the shallow aquifer. Two hydrogeologists from the U.S. Geological

Survey, one hydrogeologist from the state of Oregon that has studied the Langell Valley for the past seven years, and an independent geologist that is active in Klamath Basin water issues, all conclude that the collected data show a hydraulic connection between the so-called deep basalt aquifer and the shallow aquifer. The opinion of CH2M-Hill, who is the paid project consultant, in contrast to the overwhelming conclusions to the contrary by independent scientists makes the use of the "*not hydraulically connected*" tenant inappropriate at best and an outright attempt to obscure the facts at its worst. All references throughout the DEIS to the "*not hydraulically connected*" conclusion must be removed from the EIS.

23D Page S-7 Socioeconomics

In the DEIS, "*Operation of the Energy Facility would require approximately 30 workers. Given the current unemployment rate, the majority of workers during construction and operation would likely be hired from the local community.*" This statement ignores the current condition of the Klamath County workforce. In Klamath County there are no power plant operators seeking employment. There are no high-voltage electricians seeking work in southern Oregon. There are no turbine mechanics seeking employment anywhere near the proposed facility. There are no power system protection people seeking employment in southern Oregon. There are no power system communications technicians seeking employment in Klamath County. The operational workforce will be imported from some other state, not helping the current unemployed in Klamath County and southern Oregon. The majority of construction workers will come from far-flung corners of the Northwest. This fact was testified to during the January 22nd hearing in Lorella by numerous Labor Union members from throughout the Northwest. The effects of this influx of construction workers is discussed below.

23E Page 2-3 Section 2.3.1.1 bullet: Electric transmission interconnect.

The statement, "*The Energy Facility site would connect to the existing BPA Captain Jack Substation, which is part of the California Oregon Intertie, known as the 'Super Highway Crossroads' of Energy*"... appears to have its origin in wishful thinking. I have asked a large number of individuals that were instrumental in building the Northwest Southwest Intertie, commonly known as the California Oregon Intertie and, to a man, none has ever heard the phrase "Super Highway Crossroads" when referring to the intertie or to the Captain Jack substation. Today the area referred to as the California Oregon border, the site of the proposed facility, is known to be constrained, that is to say that the flow of electricity is constrained or restricted by the number of and size of the transmission lines through the area. Any significant increase in power flow from or through this area will only increase the instability and thus reliability of the transmission system. This constraint is recognized not only by the Bonneville Power Administration but also by the region's power coordination group: The Western Electricity Coordinating Council (WECC), and the Federal Energy Regulatory Commission (FERC). How can anyone call this a "Super Highway Crossroads"? The intertie through southern Oregon is similar to a two-lane county road trying to carry significant traffic between two major cities, it can handle it today, but just wait until the next housing development is finished, and in the case of the intertie, a new power plant is built in the middle of it.

This very short section attempts to gloss over the detrimental impact of building and operating the proposed facility in a once unpolluted and serene farming community. The proponent offers three adverse impacts if the facility is not constructed. I will address each in order as they appear:

23F

"First, the proposed project's contribution to the regional need for more electrical power would be foregone, potentially resulting in power shortages, limits on economic development, and increased power costs." The background for this statement appears to be outdated. Directly following the induced California power crisis of 2000-2001, a cry went out for more base-load generation. As these screams died away and the truth emerged, market manipulation was found to be the real culprit. Shortly thereafter West Coast power interests attempted to continue this crisis and predicted electricity shortages in the years to come. As cooler heads investigated the situation they found collusion and a mentality similar to the one that existed during the Washington Public Power Supply fiasco. There really is no power shortage. In the DEIS in *Section 2, page 2-1*; the proponent cites three agencies and their forecasts for the future need of electricity. All of these documents are outdated or misquoted. Research into the power situation in the Northwest has produced new revelations. WECC has produced a new forecast. Dated August 1, 2003, this forecasts the northwest with sufficient base-load capacity but lacking in small peaking facilities that can correct the problems caused by generation too far from load. Also the California Independent System Operator (CASIO) has produced a report, dated October 10, 2003, that forecasts sufficient power supplies until 2008, and then only regional shortages in areas that are now constrained by insufficient transmission. The Klamath Basin has 160 Megawatts of Hydro generation and 585 Megawatts of gas-fired combined-cycle generation. There is unlikely to be an energy shortage in Southern Oregon or Northern California. In fact, so much regional generation is available that wholesale electricity prices are, many times, below cost of production in gas-fired generation facilities.

23G

"Second, to the extent the regional need for power could be met through existing generation resources, a negative environmental impact would result because older sources are, on average, less efficient and more polluting than the proposed COB Energy Facility, the proposed project would not contribute to the regional economy." The regional generation resources are, as stated above, hydro and gas-fired combined cycle. The first is much cleaner and the second is the same, or as clean as the proposed facility. Older resources are being operated in Southern California, but it would be more cost effective and resource efficient to upgrade these existing facilities where they are, than to foul an unpolluted farming community hundreds of miles from the expected load.

23H

"Third, the proposed project would not contribute to the regional economy." As described above in the Socioeconomics comment section, most of the construction workers and essentially all of the operational employees will be imported for this project. During the construction phase, pressure will be placed on existing resources to accommodate the work force. Local rental rates will rise, putting pressure on existing renters. All sorts of prices will rise in an attempt to take advantage of the extra construction cash flow in the county. Local residents will not get pay raises, and will have to compete with high paid construction workers for limited resources. Schools could be negatively impacted. Traffic on some roads would see 100 times more vehicles. Safety for school children will undoubtedly be less. And after construction is over? The few employees that will remain will contribute very little to the local economy.

The biggest contribution from this facility should be that of property taxes, in this the proponent has requested property taxes be eliminated in return for a yearly cash kickback to Klamath County.

231E Page 3.4-10 Greater Sandhill Crane

During a discussion of special status species, the proponent attempts to belabor the existence of indigenous species on or near the proposed site and transmission line. In this section the proponent states that "*A single Sandhill Crane was observed...*" If local wildlife experts had been consulted the proponent would have learned that the location of this sighting is a nesting site for Sandhill Cranes. During a visit of the Oregon Energy Facility Siting Council, three adult Sandhill Cranes were sighted along with five Sandhill Crane chicks at the location adjacent to the proposed wells and pumping complex. On the following page in the DEIS (3.4-11) the bald eagle is addressed with anecdotal evidence. During the January DEIS hearing at Lorella, two mature bald eagles were feasting on carrion at the proposed facility site. These birds and approximately 20 other adults and chicks live in the fields and streams surrounding Langell Valley and the proposed energy facility. The collection of data presented in Section 3.4 "Vegetation and Wildlife" reads like a textbook written by someone in Boston. A lot more on-the-ground work must be done to identify the vegetation and especially the wildlife at the proposed site.

Page 3.10-8 bullet Goal 14, Urbanization:

23J The proponent states in this section: "*Energy facility uses such as the use proposed are permitted on agricultural land by state statute.*" This statement is incorrect in that it lacks the condition of the statute that such facilities take not more than 12 acres of high-quality farm land or not more than 20 acres of marginal farm land. The proposed facility would remove over 120 acres of both high and marginal farm land from farm use and convert it to heavy industrial. To take more than the above noted 12 or 20 acres requires a Goal 3 exception to the Klamath County Comprehensive Plan. Langell Valley is a RURAL area not an urban or industrial area. Goal 14 requires an exception, just as Goals 3 and 4, but that is for the Oregon Energy Facility Siting Council (OEFSC) to require, not the DEIS. The DEIS continues, "*The site is relatively remote, and the Facility would not alter or change the character of the surrounding area from rural to urban, because energy facilities in rural areas do not attract growth.*" The last part of this sentence is sadly true, because energy facilities in rural areas do not attract growth. People move away from these facilities. As for changing the character of the surrounding area, it definitely will change the character. The noise level, the light, the electric fields, the traffic will all change the character of the surrounding area. The proponent's statements in this section are blatantly false.

23K Page 3.10-9 Environmental Consequences and Mitigation Measures. Paragraph 7

23L "*No feasible alternative location exists for the Energy Facility site. There is no nonresource site of sufficient size that would provide feasible access to the three necessary resources for the Facility: ...*" After making this statement the proponent goes on to identify three specific resources that can only be found near the proposed site, a site that is not classified nonresource. There are numerous alternative locations with all three required resources located on land that is classified heavy industrial. Somehow the proponent wants us to believe that only the natural gas from the Bonanza Compressor Station would run its turbines and that a seven mile long circuitous transmission line to the Captain Jack Substation is the only way and place to connect to the westcoast power grid, and that only the water from the Babson well 2.3 miles away is adequate to make the correct type of steam in the aux

boiler. The proponent is aware of numerous locations, zoned heavy industrial that would make a better and more appropriate site for this facility.

Page 2-3 in the Biological Assessment section 2.2.3 Facility Location

23M In this paragraph I find some disturbing information. The proponent admits to having to purchase 2700 acres in order to secure land for the energy facility, 128 acres for the facility, 200 acres for easements, and 2372 acres for what? To remove the objections of adjoining land owners? Just buy them out. What this entire document and the preceding site applications and amendments have omitted is an explanation of why this much land is needed or required. The proponent suggests that he will lease the unused ground back to the community for farming or ranching. Why then is it necessary for the proponent to create a fiefdom in Langell Valley?

Conclusion:

23N This document is titled "Draft Environmental Impact Statement for the COB Energy Facility" but does little to address the true environmental impacts to the Klamath Basin caused by the energy facility and its supporting facilities. On page S-2 in the section "*Scope of the Environmental Impact Statement*," the document attempts to limit the scope to only that of the transmission line connection at the Captain Jack substation. Then the document goes on to address everything but the connection and its environmental impact.

23O Most of the data contained in the DEIS appears to try to convince the reader that the facility and support facilities must be located in Langell Valley on land zoned **Exclusive Farm Use** and that exceptions to state and county planning goals are justified. For a true assessment of environmental impact we must address all components to this proposed facility individually. The energy facility, the high-voltage transmission line, the natural gas pipeline, the water plant and its pipeline, all need separately addressed sections in a complete environmental impact statement. I suggest that all the printed material that does not directly pertain to the environmental impact of this proposed facility and its support facilities be removed from the EIS for the COB Energy Facility, only then can we determine if this facility belongs in Oregon.

23P
William E Brock

William Brock
POB 212
Bonanza, Oregon 97623

From: Denis Babson [dbabson@ix.netcom.com]
Sent: Wednesday, February 11, 2004 12:44 PM
To: BPA Public Involvement
Subject: COB Energy Facility Project

24A

The COB energy Facility Project is a necessary addition to the existing electric power generating capacity in the pacific northwest. Expanding population growth in Washington, Oregon, and California over the next decade will require a great deal more electrical energy than the present generating systems can provide.

The COB Project will provide a relatively large generating capacity of 1160 megawatts using a cleaner source of energy than coal or oil burning systems. Wind and geothermal sources are extremely limited and expensive, and hydroelectric for the area is fully developed, and extremely unpopular and expensive to re-open, as is nuclear power. Given the certain need for more future capacity, the COB facility offers the most environmentally practical way to fill that need. Also, the location in Klamath County, Oregon, is central for power distribution to the west via the regional grid and the BPA lines.

Peoples Energy, the parent of the development company, is a solid well respected and financed company, listed on the New York stock exchange, that has been responsibly serving the energy needs of the midwest in the Chicago area for over 100 years. They are completely qualified to finance, complete, and operate the facility.

Based on the above facts and the certain future need for a practical, cost effective, environmentally sound additional source of electric power for the western states:

The COB Energy Facility Interconnection Project should be approved.

Denis G. Babson